



**COST PLUS FIXED FEE-AWARD FEE, AWARD TERM
RESEARCH & DEVELOPMENT CONTRACT**

Contract No. TBD

BETWEEN

**CALIFORNIA INSTITUTE OF TECHNOLOGY
JET PROPULSION LABORATORY
(The "Institute" or "JPL")
4800 OAK GROVE DRIVE
PASADENA, CALIFORNIA 91109-8099**

AND

TYPE CONTRACTOR'S NAME AND ADDRESS HERE IN ALL CAPS

THIS CONTRACT FOR

Deep Space Network (DSN) Operations & Maintenance

IS A

SUBCONTRACT UNDER JPL's NASA PRIME CONTRACT

TASK ORDER NO. INSERT.

A DO - C9 Rating is assigned to this Contract under DMS Regulation 1

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The following documents are incorporated into and made a material part of this contract.

GENERAL PROVISIONS: Cost-Reimbursement with Commercial Organizations Contract R 8/01, with Incorporated Exhibits.

- Management of Government Property in the Possession of Contractors, Form JPL 0968
- Release of Information, Form JPL 1737
- Affiliate Access Report, Form JPL 1943
- Notification to Prospective Contractors of JPL's Ethics Policies and Anti-Kickback Hotline, Form JPL 2385
- Certifications, Form JPL 2892
- Asbestos Notification, Form JPL 2895

ADDITIONAL GENERAL PROVISIONS (AGPs)

Cost Accounting Standards and Administration of Cost Accounting Standards R 4/99

Patent and Copyright Agreement R 4/99

Audit-Negotiation – Access to Computers R 4/99

Continuity of Services R 4/99

Drug and Alcohol Free Workforce R 4/99

Duty-Free Entry R 3/00

Facilities Equipment Modernization R 4/99

Filing of Patent Applications - Classified Subject Matter R 4/99

Foreign Travel Reporting Requirements R 4/99

Inspection of Services R 4/99

Prime Contract Expiration – Cost/CREI 7/02

Safety And Health R 4/00

Security Requirements R 4/99

Security Requirements for Unclassified Automated Information Resources and Access to JPL's
Controlled Facilities R 12/01

Service Contract Act Of 1965, as amended - Long Form R 4/99

Waiver of Facilities Capital Cost of Money R 4/99

PREAMBLE

This Contract, entered into on _____ by and between the CALIFORNIA INSTITUTE OF TECHNOLOGY (hereinafter called the “Institute” or “JPL”), a corporation organized and existing under the laws of the State of California, and {Type Name of Contractor Here} (hereinafter called the “Contractor”), a corporation organized and existing under the laws of the State of {Type State of Incorporation here} and constituting a subcontract under Prime Contract NAS7-03001 between the Institute and the Government;

WITNESSETH THAT:

The Contractor agrees to furnish and deliver the supplies and performs the services set forth in this Contract for the consideration stated herein.

SCHEDULE

ARTICLE 1. STATEMENT OF WORK AND DELIVERY INSTRUCTIONS

The Deep Space Network (DSN) (referred to as 'the Network') is comprised of operational and test facilities, the personnel who implement, operate, and maintain the facilities, and the policies, processes, and procedures that enable the implementation, operation, and maintenance of the facilities. The Network includes the following key facilities:

- Goldstone Deep Space Communications Complex (GDSCC) [Barstow - Ft. Irwin, CA]
- Madrid Deep Space Communications Complex (MDSCC) [Spain]
- Canberra Deep Space Communications Complex (CDSCC) [Australia]
- Deep Space Operations Control Center (DSOCC) [at JPL, Pasadena, CA]
- Development and Test Facility (DTF-21) [Pasadena, CA]
- Merritt Island Launch facility (MIL-71) [Kennedy Space Center, FL]
- Compatibility Test Trailer (CTT-22) [transportable station]
- Remote Operations Support Area

The Contractor is expected to actually begin the work of operating and maintaining the facilities specified on January 1, 2004. Although the Contract will be signed before that date, the only costs incurred prior to January 1, 2004 should be those incidental to staffing and preparing for the transfer of responsibility on January 1, 2004.

On or Before

1.0 The Contractor shall:

Provide operations and maintenance of the GDSCC and DSOCC, prepare the Network for mission support, analyze Network performance, provide logistical and technical services that support the Network, and perform product engineering for designated subsystems. All central management functions necessary to support the above shall also be provided, including financial management and reporting, procurement services; safety, health and environmental planning; IT security and physical security planning, facilities management, property management, administrative support, workmanship assurance and program integration. The Contractor shall perform these services in accordance with, but not necessarily limited to, the detailed requirements set forth in the 'Task Description Document for

As Required

Maintenance and Operation of the Deep Space Network' dated February 18, 2003 (Exhibit 2), which is incorporated by reference and made a part of this Contract.

A. Specifically, the Contractor shall, in accordance with the Technical Description Document (TDD):

- 1) Operate and maintain the GDSCC, including
 - (a) Real-time 24x7 mission support operations
 - (b) Maintenance of the GDSCC facilities and infrastructure
 - (c) Maintenance of the GDSCC operational equipment
 - (d) Operation and maintenance of 'advanced systems' at GDSCC
 - (e) Provide technical services needed to support operations and maintenance
 - (f) Conduct Radio Frequency Interference (RFI) event analysis/investigation and participate in air corridor coordination activities
 - (g) Maintenance of the DSN portion of the Emergency Control Center (ECC), and initialization of the ECC in response to emergency conditions
 - (h) Management of the Complex, including functions of site security, safety, health and environmental compliance, energy acquisition/management/conservation, administrative communications, support services, workmanship assurance, and outreach activities.
- 2) Operate and maintain the Deep Space Operations Control Center. The DSOCC includes the Network Operations Control Center (NOCC), the Central Communications Terminal (CCT), Radio Metric Data Conditioning (RMDC), Data System Operations, the Very Long Baseline Interferometry (VLBI) Correlator Facility, the Remote Operations Support Area (ROSA), and Data System Processing Area (DSPA).
- 3) Operate and maintain the DSN test facilities, including the Development and Test Facility (DTF-21), the Compatibility Test Trailer (CTT-22), and the DSN equipment in the control room at the Merritt Island Launch Support Facility (MIL-71).
- 4) Support the Network resource allocation process, and schedule use of the Network.
- 5) Generate mission-specific support products and procedures
- 6) Generate mission-independent Network Standard Operating Procedures (SOPs)

- 7) Analyze and report on Network performance
 - 8) Provide support services that are utilized across the Network, including change management, performance metrics, documentation, and depot maintenance
 - 9) Provide logistical support for shipment of equipment and documentation to and from the DSCCs and to and from MIL-71.
 - 10) Provide the Network operations engineering function for antenna-mechanical systems, RF-microwave systems, data systems, and systems integration
 - 11) Develop and sustain a designated set of Network subsystem elements.
- B. In performance of this effort, the Contractor shall provide the Reports, Plans and Records in accordance with the CDRL (Exhibit 1).
- C. The Contractor shall provide for the following general capabilities:
- 1) It is the Contractor's responsibility to procure and stock all miscellaneous items necessary to maintain and support the GDSCC facilities and support services. The supplies shall include such items as standard electronic and mechanical components, standard tools and test equipment, building maintenance materials, office supplies, and supplies for janitorial services. These supplies do not include components or elements of DSN operational subsystems.
 - 2) In support of the civil infrastructure at GDSCC, the Contractor must provide the capability for the preparation of construction drawings and specifications; the engineering supervision and inspection of work in progress; the procurement of construction bids; and the compliance with all applicable federal construction-of-facilities (CoF) regulations.
- D. Technical Support, Level-of-Effort Special Studies and Support
- Provide on a level-of-effort basis up to one hundred and fifty thousand (150,000) equivalent work-hours of engineering direct labor to support various deep-space network development tasks and studies as directed in writing by the cognizant JPL Negotiator. Article 6 provides administrative requirements.

E. Exhibits

The following Exhibits, which are contract requirements, are incorporated into and made a part of this Contract.

- | | |
|-----------|--|
| EXHIBIT 1 | DEEP SPACE NETWORK, OPERATIONS AND MAINTENANCE, CONTRACT DATA REQUIREMENTS LIST (CDRL), DATED MARCH 6, 2003. |
| EXHIBIT 2 | MAINTENANCE AND OPERATIONS OF THE DEEP SPACE NETWORK, TASK DESCRIPTION DOCUMENT, DATED MARCH 6, 2003 |
| EXHIBIT 3 | SAMPLE STANDARD OF EXCELLENCE METRICS FOR PERFORMANCE MEASUREMENT, DATED MARCH 6, 2003. |
| EXHIBIT 4 | DEEP SPACE NETWORK, SAMPLE WORK BREAKDOWN STRUCTURE (WBS), DATED MARCH 6, 2003. |

2.0 JPL will:

- A. Provide the Contractor with written technical and cost guidelines for preparation of the Annual Operating Plan per DRD M018. Normally, these will be provided in March of every year.
- B. Reserve the right to procure materials and services required for operation of the Network.
- C. Provide office space, equipment, and communications services for work to be performed at JPL in Pasadena. Office space and equipment for GDSCC tasks are available at that facility.
- D. Review draft documents and provide written comments or approval in a timely manner.
- E. Provide all Government-owned facilities and property including, but not necessarily limited to, that located at DSOCC, GDSCC, DTF-21, and CTT-22.
- F. Maintain the Government property records of property provided in paragraph 2.0.E above.
- G. Provide JPL affiliate badges and access to the Laboratory for authorized Contractor personnel.
- H. Comply with Contractor's Safety and Health rules when JPL personnel are at the Contractor's facilities.
- I. Comply with Contractor's environmental rules when JPL personnel are at the Contractor's facilities.

3.0 Delivery Instructions

- 3.1 Except as otherwise provided in this Contract, the point of inspection, acceptance and delivery of all supplies deliverable under this Contract shall be the Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, California 91109. All such supplies shall be packaged, packed, boxed, or crated in such a manner to ensure safe delivery and shall be shipped prepaid and at the Contractor's expense to the point of delivery.
- 3.2 The Contractor shall provide the Contracting Officer (CO) the annual and final reports of subject inventions described in the Article entitled "Patent Rights - Retention by the Contractor (Short Form)." Copies of transmittal letters shall be sent to the JPL Intellectual Property Office (IPO) and to the cognizant JPL negotiator.

4.0 Contract Term

- 4.1 This is an award term contract as specified in Article 5.
- 4.2 The term of this contract shall commence as of the date of this contract and shall continue through _____.

ARTICLE 2. ALLOWABLE COSTS, FIXED FEE, AWARD FEE, AND PAYMENT.

1.0 Estimated Cost, Fixed Fee, and Maximum Award Fee.

- 1.1 Estimated Cost:
- 1.2 Fixed Fee: **(70 percent of proposed fee)**
- 1.3 Maximum Award Fee: **(30 percent of proposed fee)**

Subject to any equitable adjustment which is otherwise provided for under the provisions of this Contract, the available award fee and fixed fee will be the maximum stated above and the amount of such fee to be actually awarded will be in accordance with the provisions of paragraph 2.0 of this Article. There shall be no adjustment in the amount of available award fee and fixed fee or any claim for increased award fee and fixed fee because of errors or omissions made in computing the estimated cost or the fact that the actual cost varies from the estimated cost.

The total amount allotted to this Contract is \$

2.0 Award Fee.

- 2.1 The Contractor's performance will be evaluated by JPL in the following categories:
 - 2.1.1 **Technical Performance:** Technical performance will be evaluated in the areas of maintenance and operations of the DSN and Product Engineering.
 - 2.1.2 **Schedule Performance:** Schedule performance will be evaluated by considering the extent of adherence to established schedules, effectiveness of work around plans, and accommodation of changes with minimum impact on schedule performance.
 - 2.1.3 **Administrative Performance:** Administrative performance will be evaluated in the areas of management, communications and coordination, contractual documentation and reports, and subcontracting goals.
 - 2.1.4 **Cost-Effectiveness:** Cost-effectiveness and performance will be evaluated by considering the degree to which costs are controlled and optimized.
- 2.2 The Contractor's performance will be evaluated twelve (12) months after the date of the contract or in coordination with award term evaluations. Interim evaluations will be done every six (6) months for informal feedback. The Award Fee available for each period shall be the Maximum Award Fee still available for award divided by the number of periods remaining to be evaluated.

The Award Fee Areas of Emphasis adjective ratings are: *excellent*, *very good*, *adequate*, and *poor*. The Standard of Excellence Metrics ratings are: *exceeds expectations*, *meets expectations*, and *below expectations* (see Exhibit 3).

- 2.2.1 The Contractor Standard of Excellence Metrics rating will be "*exceeds expectations*" if greater than 60 percent of the individual Standard of Excellence Metrics exceed expectations and no Standard of Excellence Metrics are below expectations.

- 2.2.2 The Contractor Standard of Excellence Metrics rating will be “*meets expectations*” if no more than 20 percent of the individual Standard of Excellence Metrics are below expectations.
 - 2.2.3 The Contractor Standard of Excellence Metrics rating will be “*below expectations*” if more than 20 percent of the individual Standard of Excellence Metrics are below expectations.
- 2.3 Prior to the beginning of each award period, and during the period, JPL will provide the Contractor with the areas of emphasis within the performance categories which shall form the basis for determining the amount of fee to be awarded to the Contractor for the award period involved.
 - 2.3.1 The total maximum Award Fees allotted to all periods will equal the maximum amount of the Award Fee specified in paragraph 1.3, above. An Award Fee considered in any given period will not be considered again in subsequent periods.
- 2.4 At the end of each award period the Contractor’s performance with respect to the established criteria will be evaluated by JPL and a unilateral determination made as to the amount of Award Fee earned and payable for the period evaluated. In order for any award fee to be earned the contractor must meet or exceed the Standard of Excellence Metric and have *adequate* or higher rating on the Award Fee Area of Emphasis (see Exhibit 3). This amount may be none, part of or all of the maximum amount of Award Fee allocated to that period.
- 2.5 The Contractor will be advised promptly in writing of JPL’s award decisions. Additionally, the rationale of the decision will be explained to the Contractor by JPL.
- 3.0 Precontract Costs. There shall be no allowance for costs incurred prior to the date of this Contract. If this Definitive Contract has been preceded by a Letter Contract, the phrase "date of this Contract" as used in this paragraph 2.0 shall mean the effective date of the Letter Contract.
- 4.0 Invoices. Invoices shall be submitted, in triplicate, to Supplier Payments Section MS 601-208, 4800 Oak Grove Drive, Pasadena, California 91109-8099.
- 5.0 Payment of Fixed Fee. The fixed fee payable under this Contract shall be paid to the Contractor in monthly installments based upon the percentage of work completed as estimated by the Contractor and approved by JPL; subject, however, to the provisions of the “Allowable Cost and Payment” Article of this Contract.
- 6.0 Payment of Award Fee. Any Award Fee awarded for any period shall be payable to the Contractor in full in one (1) lump sum, upon issuance of a modification to the contract incorporating the award amount and submission of a proper invoice.
- 7.0 Allowable Costs. For the purpose of determining the amounts payable to the Contractor under this Contract, the allowability of costs shall be determined in accordance with the General Provision (GP) of this Contract entitled "Allowable Cost and Payment;" provided, however, that in determining the allowability of costs, the advance understandings, if any, on particular items of cost set forth below shall be given effect. In the event of any inconsistency between such advance understandings and the cost principles referred to in the "Allowable Cost and Payment" GP referenced above, the cost principles shall prevail.
 - 7.1 Direct Costs. No advance understandings.

ARTICLE 3. SPECIAL PROVISIONS

Conduct and Separation Special Provision Text

Data Removal From Computers Special Provision Text

Government Property Transfer Special Provision Text

JPL Contractor Safety and Health Notification Special Provision Text

Key Personnel and Facilities Special Provision Text

Personnel Processing Special Provision Text

Reimbursable Hours Special Provision Text

Report of Hours Worked by Contractor Personnel Special Provision Text

Security or Privacy Safeguards Special Provision Text

Software Furnished by JPL Special Provision Text

Subcontract Real Property Leases Special Provision Text

Use of Government Facilities or Equipment Special Provision Text

ARTICLE 4. ALTERATIONS TO THIS CONTRACT

The following alterations have been made to this Contract:

“Allowable Cost and Payment” GP Alteration Text (Cost of money Alteration)

Audit and Examination of Records – Negotiation Alteration Text

Fee Withhold - CPAF Contract Alteration Text (Text included below)

Inspection of Research and Development (Short Form) Alteration Text

Security Requirements Alteration Text

Termination - CPAF Contract Alteration Text (Text included below)

1.0 Fee Withhold

Subparagraph (d)(2) of the Article entitled "Allowable Cost and Payment" is hereby deleted and the following is substituted:

- (2) Payment of fee, if any, shall be made to the Contractor as specified in this Contract; provided, however, that payment of any fee awarded upon completion of the Contract, or in the absence thereof any fee awarded for the final period of the Contract, not to exceed (insert appropriate dollar amount) shall be withheld subject to the provisions of paragraph (i) below.

2.0 Termination

Subparagraph (h)(4) of the Article entitled "Termination - Cost" is hereby deleted and the following is substituted:

- (4) A portion of the fee payable under this Contract, determined as follows:

- (A) In the event of termination of this Contract for the convenience of the Institute or the Government and not for the default of the Contractor, there shall be paid an award fee determined in accordance with the provisions of the Schedule for such periods of time prior to the termination as to which no award has been previously made.
- (B) In the event of the termination of this Contract for the default of the Contractor, the total fee payable shall be such award or awards, if any, as were made prior to the termination.

3.0 Limitation of Funds

Paragraph (k) of the Article entitled "Limitation of Funds" is hereby deleted and the following is substituted:

- (k) In the event that sufficient amounts are not allotted to this Contract to allow completion of the work, the Contractor is entitled, subject to the limitations of paragraph (e) of this General Provision, to fees computed in accordance with the provisions of paragraph (h)(4)(A) of the Article of this Contract entitled "Termination - Cost."

4.0 "Allowable Cost and Payment" GP

Paragraph (a)(2) of the Article of this Contract entitled "Allowable Cost and Payment" is deleted, and the following paragraph is substituted:

The Institute shall make payments to the Contractor once each month (or at more frequent intervals if approved by JPL), in amounts determined to be allowable by the Institute in accordance with Subpart 31.2 of FAR and any corresponding implementing or supplementing provisions in the NFS and the terms of this Contract. The Contractor may submit, in such form and reasonable detail as JPL may require, an invoice supported by a statement of the claimed allowable cost for performing this Contract. Notwithstanding Federal Acquisition Regulation 31.205-10, facilities capital cost of money is not an allowable item of cost under this Contract.

5.0 Audit and Examination of Records – Negotiation

In the Article entitled "Audit and Examination of Records - Negotiation," delete paragraphs (b), (c), (d)(1), and (e) and substitute:

(b) Examination of Costs. If this is a cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable Contract, or any combination of these, the Contractor shall maintain and the Contracting Officer, or an authorized representative of the Contracting Officer who is an employee of the Government, shall have the right to examine and audit all records and other evidence sufficient to reflect properly all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this Contract. This right of examination shall include inspection at all reasonable times of the Contractor's plants, or parts of them, engaged in performing the Contract.

(c) Cost or Pricing Data. If the Contractor has been required to submit cost or pricing data in connection with pricing action relating to this Contract, the Contracting Officer, or an authorized representative of the Contracting Officer who are employees of the Government, in order to evaluate the accuracy, completeness, and currency of the cost or pricing data, shall have the right to examine and audit all of the Contractor's records, including computations and projections, related to:

- (1) The proposal for the Contract, subcontract, or modification;
 - (2) The discussions conducted on the proposal(s), including those related to negotiating;
 - (3) Pricing of the Contract, subcontract, or modification; or
 - (4) Performance of the Contract, subcontract, or modification.
- (d) Comptroller General.

(1) The Comptroller General of the United States, or an authorized representative who is an employee of the Government, shall have access to and the right to examine any of the Contractor's directly pertinent records involving transactions related to this Contract or a subcontract hereunder.

(e) Reports. If the Contractor is required to furnish cost, funding, or performance reports, the Contracting Officer, or an authorized representative of the Contracting Officer who is an employee of the Government, shall have the right to examine and audit the supporting records and materials, for the purpose of evaluating (i) the

effectiveness of the Contractor's policies and procedures to produce data compatible with the objectives of these reports and (ii) the data reported.

6.0 Fee Withhold – CPAF Contract

The following alteration has been made in the provisions of this Contract:

Subparagraph (d)(2) of the Article entitled "Allowable Cost and Payment" is hereby deleted and the following is substituted:

- (2) Payment of the fee, if any, shall be made to the Contractor as specified in this Contract; provided, however, that payment of any fee awarded upon completion of the Contract, or in the absence thereof any fee awarded for the final period of the Contract, shall be withheld subject to the provisions of paragraph (i) below.

7.0 Inspection of Research and Development – Short Form

The GP Article entitled "Inspection of Research and Development" is hereby deleted in its entirety and the following is substituted:

ARTICLE GP- . INSPECTION OF RESEARCH AND DEVELOPMENT (SHORT FORM)

JPL and the Government have the right to inspect and evaluate the work performed or being performed under the Contract, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If JPL or the Government performs inspection or evaluation on the premises of the Contractor or a subcontractor, the Contractor shall furnish and shall require subcontractors to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

4. Remarks: Nonprofit Organizations, other than educational institutions (which use the CREI GPs), utilize the standard CT GPs, with alterations when appropriate.

8.0 Security Requirements

Add the following paragraph (f) to the Additional General Provision entitled "Security Requirements:"

- (f) The Contractor, or any of its personnel, shall not have access to any classified information and shall not perform any classified work under this Contract until notified by the cognizant JPL Negotiator that all security clearance processing has been completed.

4. Reference: Form DD 254, "Contract Security Classification Specification."

9.0 Termination – CPAF Contract

Subparagraph (h)(4) of the Article entitled "Termination - Cost" is hereby deleted and the following is substituted:

- (4) A portion of the fee payable under this Contract, determined as follows:

- (A) In the event of termination of this Contract for the convenience of the Institute or the Government and not for the default of the Contractor, there shall be paid an award fee determined in accordance with the provisions of the Schedule for such periods of time prior to the termination as to which no award has been previously made.

(B) In the event of the termination of this Contract for the default of the Contractor, the total fee payable shall be such award or awards, if any, as were made prior to the termination.

b. Supplemental text:

Paragraph (k) of the Article entitled "Limitation of Funds" is hereby deleted and the following is substituted:

(k) In the event that sufficient amounts are not allotted to this Contract to allow completion of the work, the Contractor is entitled, subject to the limitations of paragraph (e) of this General Provision, to fees computed in accordance with the provisions of paragraph (h)(4)(A) of the Article of this Contract entitled "Termination - Cost."

ARTICLE 5. AWARD TERM EXTENSIONS AND REDUCTIONS

1.0 Issuance of Award Term Extension or Reduction

- 1.1 The initial five (5) year contract term may be extended or reduced by JPL via unilateral modification on the basis of contractor performance, resulting in a contract term lasting a maximum of ten (10) years or a minimum of three (3) years from the date of contract award. The decision to award the term extensions will be based on a continuing need for the service, the availability of funding and the Contractor's performance.
 - 1.1.1 Maximum contract term: There are a maximum of ten 6-month term extensions available. If the Contractor earns all available term extensions, the maximum term of this contract shall be 10 years.
 - 1.1.2 Minimum contract term: If the Contractor's performance in each of the first two years results in 6-month term reductions, then the contract term may be shortened to 3 years.
 - 1.1.3 As needed, to avoid premature expiration of the contract, JPL reserves the right to award one, two, or three 6-month term extensions at a time.
 - 1.1.4 If a contract term reduction would result in inadequate lead time to recompetite this contract, the term reduction may not be implemented and the Contractor will be notified of this decision.

2.0 Monitoring of Performance

- 2.1 The Contractors will be evaluated by JPL toward the end of every year during the initial five (5) year base period and every year thereafter, during any award term extension. The award term evaluation will be based on the Contractor's performance during each year's evaluation period. The Contractor will be evaluated against the performance metrics provided to JPL in accordance with the Performance Metrics Plan specified in Exhibit 3.
- 2.2 Reserved
- 2.3 The Contractor is subject to the following award term determination based on Award Fee adjective ratings and Standard of Excellence Metrics.

The Award Fee Areas of Emphasis adjective ratings are: *excellent*, *very good*, *adequate*, and *poor*. The Standard of Excellence Metrics ratings are: *exceeds expectations*, *meets expectations*, and *below expectations* (see Exhibit 3).

- 2.3.1 The contractor will be awarded additional contract term, under the following condition:
 - 2.3.1.1 If the Standard of Excellence Metrics *exceed expectations* and the Award Fee adjective rating is *very good* or *excellent*, a six (6) month award term extension is awarded.
- 2.3.2 The contract term will be reduced under either of the following two conditions:

2.3.2.1 If the Standard of Excellence Metrics *meets expectations*, but the Award Fee adjective rating is *poor*, the contract term is reduced by six (6) months

2.3.2.2 If the Standard of Excellence Metrics are *below expectations*, the contract term is reduced by six (6) months.

2.3.3 The contract term will not be modified under other performance ratings.

2.3.4 If the Contractor's performance during any two consecutive award fee evaluation periods is *poor*, then JPL will initiate a new acquisition.

3.0 Award Term Pricing

3.1 The following estimated cost, fixed fee, and maximum award fee shall apply to each period below.

| | Period | Estimated Cost | Maximum Fixed Fee | Award Fee | Remarks |
|---------|-------------------|-------------------|----------------------|-----------|------------------------------|
| 3.1.1 | 10/1/03 – 9/30/06 | | | | Minimum term of contract |
| 3.1.2 | 10/1/06 – 3/31/07 | | | | |
| 3.1.3 | 4/1/07 – 9/30/07 | | | | |
| 3.1.4 | 10/1/07 – 3/31/08 | | | | |
| 3.1.5 | 4/1/08 – 9/30/08 | | | | End of 5 year basic contract |
| 3.1.6 | 10/1/08 – 3/31/09 | | | | |
| 3.1.7 | 4/1/09 – 9/30/09 | | | | |
| 3.1.8 | 10/1/09 – 3/31/10 | | | | |
| 3.1.9 | 4/1/10 – 9/30/10 | | | | |
| 3.1.10 | 10/1/10 – 3/31/11 | | | | |
| 3.1.11 | 4/1/11 – 9/30/11 | | | | |
| 3.1.12 | 10/1/11 – 3/31/12 | | | | |
| 3.1.13 | 4/1/12 – 9/30/12 | | | | |
| 3.1.14. | 10/1/12 – 3/31/13 | | | | |
| 3.1.15 | 4/1/13 – 9/30/13 | | | | Maximum term of contract |

4.0 Price Adjustment

4.1 Service Contract Act Adjustment

Upon the exercise of an extension, JPL reserves the right to adjust the wage rates and fringe benefits required to be paid the affected Contractor personnel per the Wage Determination attached to this Contract pursuant to the requirements of the Additional General Provision of this Contract entitled "Service Contract Act of 1965, as Amended (Long Form)." That adjustment and a corresponding adjustment to the estimated cost of the Contract shall be negotiated upon the issuance by the Department of Labor of a new Wage Determination to cover the extension period. These negotiations shall also take into consideration any changes in wages resulting from renewed Collective Bargaining Agreements negotiated between this

Contractor and the Bargaining Units. Any adjustment shall not include any adjustment to the fixed fee or maximum Award Fee of the contract.

4.2 Award Term Price Revision

JPL recognized that being contractually bound by cost estimates agreed to years in advance has significant risk for both parties. Therefore, no later than thirty (30) days following JPL's award of a term extension, the Contractor may submit a cost revision proposal (in addition to the adjustment allowed under paragraph 4.1, above) with all necessary back up documentation justifying the revision. The proposal may be subject to verification and negotiation. Any agreed to cost revision will be implemented via Supplemental Agreement separate from the unilateral modification implementing the term extension. Any adjustment shall not include any adjustment to the fixed fee or maximum Award Fee of the contract.

ARTICLE 6. TECHNICAL SUPPORT, LEVEL-OF-EFFORT REQUIREMENTS

- 6.1 The level-of-effort tasks shall be considered to have been completed when the equivalent work-hours specified in Article 1, paragraph 1.0.D have been expended.
- 6.2 If the Contractor is not required by JPL to provide, or if the Contractor does not provide, the specified level-of-effort equivalent work-hours set forth in Article 1, paragraph 1.0.D, the Institute shall be entitled, in addition to any other rights which the Institute may have under this Contract, to an equitable adjustment downward in the estimated cost, fixed fee, and award fee of the Contract.
- 6.3 For purposes of making an equitable adjustment as provided by paragraph 6.2 above, each equivalent work-hour expended in support of the level-of-effort requirements specified in Article 1, paragraph 1.0.D, shall be calculated by JPL using the average rate for the actual level of effort work performed at the cost level and at the negotiated rate of the fixed fee and award fee. The parties agree that an equivalent work-hour will have been expended either when one (1) direct labor hour has been expended *or* when other direct costs generated in the performance of a level-of-effort requirement have been incurred in an amount equal to the above-stated rate or major fraction thereof.
- 6.4 Except where the Contractor is specifically required by modification to this Contract to perform additional level-of-effort equivalent work-hours in excess of the specified level-of-effort equivalent work-hours set forth in Article 1, paragraph 1.0.D, provision by the Contractor of level-of-effort work-hours in excess of said specified level-of-effort equivalent work-hours, shall not be the basis for an adjustment in the amount of available fixed fee.
- 6.5 If, during the performance period of this Contract, JPL requires an increase or decrease in the number of equivalent work-hours set forth in Article 1, paragraph 1.0.D, the Contractor agrees to enter promptly into negotiations. Any Contract modification resulting from such negotiations will provide for adjustments of the estimated cost and fixed fee set forth in paragraph 6.1 above based upon the increased or decreased numbers of equivalent work-hours.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written.

CALIFORNIA INSTITUTE OF TECHNOLOGY

By _____
{TYPE NAME OF ACQUISITION REP HERE}

(Title)

{TYPE NAME OF CONTRACTOR HERE}

By _____
(Signature)

(Typed Name)

(Title)

Instructions to Contractor: Do not insert date on Preamble page.